

AN ORDINANCE to amend the Fairfax County Code by recodifying Sections 4-7.1-1 through 4-7.1-35 into new sections numbered 4-7.2-1 through 4-7.2-36, relating to the imposition and administration of the business, professional and occupational license tax.

Be it ordained by the Board of Supervisors of Fairfax County, Virginia:

1. That Sections 4-7.1-1 through 4-7.1-35 are recodified as Sections 4-7.2-1 through 4-7.2-36:

Section 4-7.2-1. Definitions and requirements.

A. General definitions. Except as otherwise provided by Subsection B of this Section, the words and phrases defined in this section when used in this Article shall have the following meanings, unless a different meaning clearly is required by the context:

"Affiliated group" means:

(1) One or more chains of corporations subject to inclusion connected through stock ownership with a common parent corporation which is a corporation subject to inclusion if:

(a) Stock possessing at least eighty percent of the voting power of all classes of stock and at least eighty percent of each class of the nonvoting stock of each of the corporations subject to inclusion, except the common parent corporation, is owned directly by one or more of the other corporations subject to inclusion; and

(b) The common parent corporation directly owns stock possessing at least eighty percent of the voting power of all classes of stock and at least eighty percent of each class of the nonvoting stock of at least one of the other subject to inclusion corporations. As used in this subdivision, the term "stock" does not include nonvoting stock which is limited and preferred as to dividends; the phrase "corporation subject to inclusion" means any corporation within the affiliated group irrespective of the state or country of its incorporation; and the term "receipts" includes gross receipts and gross income.

(2) Two or more corporations if five or fewer persons who are individuals, estates or trusts own stock possessing:

(a) At least eighty percent of the total combined voting power of all classes of stock entitled to vote or at least eighty percent of the total value of shares of all classes of the stock of each corporation; and

(b) More than fifty percent of the total combined voting power of all classes

of stock entitled to vote or more than fifty percent of the total value of shares of all classes of stock of each corporation, taking into account the stock ownership of each such person only to the extent such stock ownership is identical with respect to each such corporation.

(3) When one or more of the corporations subject to inclusion, including the common parent corporation is a nonstock corporation, the term "stock" as used in this subdivision shall refer to the nonstock corporation membership or membership voting rights, as is appropriate to the context.

"Assessment" means a determination as to the proper rate of tax, the measure to which the tax rate is applied, and ultimately the amount of tax, including additional or omitted tax, that is due. An assessment shall include a written assessment made pursuant to notice by the Director or a self-assessment made by a taxpayer upon the filing of a return or otherwise not pursuant to notice. Assessments shall be deemed made by the Director when a written notice of assessment is delivered to the taxpayer by the Director or an employee of the Department of Tax Administration, or mailed to the taxpayer at his last known address. Self-assessments shall be deemed made when a return is filed, or if no return is required, when the tax is paid. A return filed or tax paid before the last day prescribed by this Article for the filing or payment thereof shall be deemed to be filed or paid on the last day specified for the filing of a return or the payment of tax, as the case may be.

"Base year" means the calendar year preceding the license year, except for contractors subject to the provisions of Va. Code § 58.1-3715 or for a different period for measuring the gross receipts of a business, such as for beginning businesses filing estimated license applications pursuant to Section 4-7.2-5 of this Article.

"Business" means a course of dealing which requires the time, attention and labor of the person so engaged for the purpose of earning a livelihood or profit. It implies a continuous and regular course of dealing, rather than an irregular or isolated transaction. A person may be engaged in more than one business. The following acts shall create a rebuttable presumption that a person is engaged in a business: (i) advertising or otherwise holding oneself out to the public as being engaged in a particular business or (ii) filing tax returns, schedules and documents that are required only of persons engaged in a trade or business.

"Calendar year" means the period beginning on January 1 of each year and ending on December 31 of each year.

"Definite place of business" means an office or a location at which occurs a regular and continuous course of dealing for thirty consecutive days or more. A definite place of business for a person engaged in business may include a location leased or otherwise obtained from another person on a temporary or seasonal basis and real property leased to another. A person's residence shall be deemed to be a definite place of business if there is no definite place of business maintained elsewhere and the person is not subject to licensure as a peddler or itinerant merchant.

"Department of Tax Administration" means the Fairfax County Department of Tax Administration.

"Director" means the Director of the Fairfax County Department of Tax Administration, or the designated agent of the Director.

"Financial services" means the buying, selling, handling, managing, investing, and providing of advice regarding money, credit, securities, or other investments.

"Gross purchases" means all goods, wares and merchandise received for sale at each definite place of business of a wholesale merchant. Gross purchases shall include all costs incurred in the manufacture or acquisition of property of any nature or description acquired (i) for resale to retail merchants or (ii) for sale at wholesale to other wholesale merchants, institutional, commercial or industrial users. Gross purchases does not mean any costs incurred for the acquisition of property of any nature or description which, when sold by a wholesale merchant, is subject to taxation by the Virginia Retail Sales and Use Tax Act, Va. Code §§ 58.1-600 through 58.1-639, as amended, or by any similar retail sales and use tax. A wholesale merchant may elect to report the gross receipts from the sale of manufactured goods, wares and merchandise if it cannot determine the cost of manufacture or chooses not to disclose the cost of manufacture.

"Gross receipts" means the whole, entire, total receipts, without deduction. Gross receipts consist of the gross receipts from any business, profession, trade, occupation or calling, including cash, credits, fees, commissions, brokerage charges and rentals, and property of any kind, nature or description from either sales made or services rendered without any deduction therefrom on account of cost of the property sold, the cost of material, labor or services or other costs, interest or any expense whatsoever, and such term shall include in case of merchants the amount of the retail value of supplies and goods furnished to or used by the licensee or his family or other person for which no charge is made. Gross receipts include receipts from all sales and services rendered or conducted from a place of business within the County to persons in the County or to persons outside the County and all other receipts from all activities having a taxable situs within the County for local license taxation authorized by Virginia law. For the purposes of this definition, receipts from rendering sales and services to persons include all gross receipts from government agencies, as well as those entities described within the definition of "person" provided by this Section.

"License year" means the calendar year for which a license is issued for the privilege of engaging in business.

"Person" means any individual, firm, partnership, corporation, company, association or joint stock association. Person includes any trustee, receiver, assignee or personal representative thereof carrying on or continuing a business, profession, trade, occupation or calling, but shall not include a court-appointed trustee, receiver or personal representative in the liquidation of assets for immediate distribution or a sergeant or sheriff, or any deputy, selling under authority of process or writ of a court of justice.

"Real estate services" means providing a service with respect to the purchase, sale, lease, rental, or appraisal of real property.

"Tax commissioner" means the chief executive officer of the Virginia Department of Taxation, or delegated representative.

B. Special definitions, exclusions and provisions. The general definitions provided by this Article shall be subject to the following limitations, unless a different meaning clearly is required by the context:

(1) Exclusions from the definition of gross receipts:

(a) Gross receipts do not include those receipts excluded by Virginia law pursuant to Va. Code § 58.1-3703(C).

(b) Gross receipts do not include revenues that are attributable to taxable business activity conducted in another jurisdiction within the Commonwealth of Virginia and the volume attributable to that business activity is deductible pursuant to Va. Code §§ 58.1-3708 and 58.1-3709.

(c) Pursuant to Va. Code § 58.1-3732, gross receipts do not include those amounts not derived from the exercise of the licensed privilege to engage in a business or profession in the ordinary course of business.

(d) Gross receipts do not include revenues that are attributable to business activity with a taxable situs in another jurisdiction not within the Commonwealth of Virginia which shall include any amount attributable to business conducted in another state or foreign country in which the taxpayer is liable for an income or other tax based upon income.

(e) Gross receipts do not include those receipts which are subject to a license tax on the same business activity imposed by a town government in accordance with Va. Code § 58.1-3711.

(f) Gross receipts do not include any amounts received and paid to the United States, the Commonwealth or any county, city or town for the Virginia retail sales or use tax, for any local sales tax or any local excise tax on cigarettes, for any federal or state excise taxes on motor fuels.

(g) Gross receipts do not include any amount paid for computer hardware and software that are sold to a United States federal or state government entity provided that such property was purchased within two years of the sale to said entity by the original purchaser who shall have been contractually obligated at the time of purchase to resell such property to a state or federal government entity. This deduction shall not occur until the time of resale and shall apply to only the original cost of the property and

not to its resale price, and the deduction shall not apply to any of the tangible personal property which was the subject of the original resale contract if it is not resold to a state or federal government entity in accordance with the original contract obligation.

(h) Gross receipts do not include licenses, admission taxes or pari-mutual wagering pools established under Va. Code §§ 59.1-392 or 59.1-393 in accordance with the provisions of Va. Code § 58.1-3732.1.

(i) Gross receipts do not include any amounts received by a real estate broker which arise from real estate sales transactions to the extent that such amounts are paid to a real estate agent as a commission and the agent is subject to a business license tax on such gross receipts in accordance with the provisions of Va. Code § 58.1-3732.2. Real estate brokers must include all such receipts within their taxable gross as individual real estate agents are not licensed separately under Chapter 4, Article 7.2 of the Fairfax County Code. In addition, gross receipts, when used in connection with Section 4-7.2-34 of this Article, means all commissions received by real estate brokers with respect to the purchase, sale or purchase and sale of any real estate and the management fees paid by real estate agents to real estate brokers as established in accord with a contractual agreement between the broker and the agents of that broker. After December 31, 1995, gross receipts, when used in connection with Section 4-7.2-34 of this Article, do not include management fees paid by real estate agents to real estate brokers as established in accord with a contractual agreement between the broker and the agents of that broker. Such receipts are taxable in accordance with Section 4-7.2-23 of this Article.

(j) Gross receipts do not include the value of any trade-in vehicle accepted in trade by a motor vehicle dealer who accepts a trade-in as part of a sale of a motor vehicle pursuant to Va. Code § 58.1-3734.1.

(k) Gross receipts do not include all amounts received in the course of conducting the state lottery by a lottery sales agent licensed by the State Lottery Board, but gross receipts do include the compensation actually paid to a lottery sales agent in accordance with the provisions of Va. Code § 58.1-4011.

(l) Gross receipts do not include membership dues collected by trade, business, professional, service or civic associations, or other similar nonprofit organizations.

(m) Gross receipts do not include amounts paid by advertising agents and agencies for any customer for advertising space, radio time, television time, electrical transcription, pressing, art work, engraving, plate, mats, printing stock and postage.

(n) Gross receipts do not include income which is exempt from the federal income tax pursuant to § 501(c)(6) of the United States Internal Revenue Code, as amended. However, this exclusion pertaining to organizations which are exempt from the federal income tax pursuant to § 501(c)(6) of the United States Internal Revenue Code does not exempt unrelated business income received by those organizations which is taxable pursuant to § 501(b) of the United States Internal Revenue Code, as amended.

(o) Gross receipts do not include:

(i) the income of a charitable nonprofit organization except to the extent an organization has receipts from an unrelated trade or business the income of which is taxable under Internal Revenue Code § 511 et seq. For the purpose of this subsection, "charitable nonprofit organization" means an organization which is described in Internal Revenue Code § 501(c)(3) and to which contributions are deductible by the contributor under Internal Revenue Code § 170, except that educational institutions shall be limited to schools, colleges and other similar institutions of learning.

(ii) On or measured by gifts, contributions, and membership dues of a nonprofit organization. Activities conducted for consideration which are similar to activities conducted for consideration by for-profit businesses shall be presumed to be activities that are part of a business subject to licensure. For the purpose of this subsection, "nonprofit organization" means an organization exempt from federal income tax under Internal Revenue Code § 501, other than charitable nonprofit organizations.

(p) Gross receipts do not include receipts which are the proceeds of a loan transaction in which the licensee is the obligator, or the return of principal of a loan transaction in which the licensee is the creditor. Gross receipts also do not include the return of principal or basis upon the sale of a capital asset. Gross receipts, when used in connection with or in respect to financial transactions involving the sale of notes, stocks, bonds or other securities or the loan, collection or advance of money or the discounting of notes, bills or other evidence of debt, mean the gross interest, gross discount, gross commission or other gross receipts earned by means of, or resulting from such financial transactions, but gross receipts do not include any amount received as payment of debt.

(q) Gross receipts do not include the pass-through funds of any money lender duly organized, registered and doing business as a cooperative association under the Virginia Cooperative Association Act or any corresponding cooperative association act of any other state or the District

of Columbia. However, all funds used for operating expenses, retained margins and reserves of any such cooperative association are gross receipts which are taxable in accordance with Section 4-7.2-31 of this Article. Any cooperative money lender whose gross receipts are subject to taxation in accordance with this subparagraph shall submit such documentary proof as required by the Director that the cooperative money lender is duly organized, registered and doing business as a cooperative association in the manner provided herein.

(r) Gross receipts do not include donations, gifts or contributions made without consideration to a nonprofit organization described in Internal Revenue Code § 501.

(s) Gross receipts do not include any amounts received from withdrawals from inventory for purposes other than sale or distribution and for which no consideration is received and the occasional sale of assets other than inventory whether or not a gain or loss is recognized for federal purposes.

(t) Gross receipts do not include investment income not directly related to the privilege exercised by a business subject to licensure not classified as rendering financial services. This exclusion shall apply to interest on bank accounts of the business, and to interest, dividends and other income derived from the investment of its own funds in securities and other types of investments unrelated to the licensed privilege. This exclusion shall not apply to interest, late fees and similar income attributable to an installment sale or other transaction that occurred in the regular course of business.

(u) Gross receipts do not include general and administrative intra-company receipts or intra-company reimbursements or transfer payments.

(v) Gross receipts do not include receipts on any venture capital fund or other investment fund, except commissions and fees of such funds. Gross receipts from the sale and rental of real estate and buildings remain taxable.

(w) Gross receipts do not include rebates and discounts taken or received on account of purchases by the licensee. A rebate or other incentive offered to induce the recipient to purchase certain goods or services from a person other than the offeror, and which the recipient assigns to the licensee in consideration of the sale goods and services shall not be considered a rebate or discount to the licensee, but shall be included in the licensee's gross receipts together with any handling or other fees related to the incentive.

(x) Gross receipts do not include any amount representing the liquidation of a debt or conversion of another asset to the extent that the

amount is attributable to a transaction previously taxed (e.g., the factoring of accounts receivable created by sales which have been included in taxable receipts even though the creation of such debt and factoring are a regular part of its business).

(y) Gross receipts do not include any amount representing returns and allowances granted by the business to its customer.

(z) Effective January 1, 1999, gross receipts derived solely from the design, development or other creation of computer software for lease, sale or license shall be subject to an exclusion in the amount set forth in the table below. This exclusion shall apply only to those receipts attributed to computer software design, development or creation activities actually performed at a definite place of business within Fairfax County as specified by Section 4-7.2-6.

The amount of gross receipts excluded by this section shall be determined as follows:

TAX YEAR BEGINNING	PERCENTAGE EXCLUSION
JANUARY 1, 1999	33-1/3% of software receipts
JANUARY 1, 2000	66-2/3% of software receipts
JANUARY 1, 2001	100% of software receipts

(2) Exclusions from the definition of person:

(a) Person does not include: (i) volunteer fire departments; (ii) volunteer rescue squads; or (iii) nonprofit charitable, cultural, educational or recreational organizations which are created to operate a community center, a swimming pool, a tennis court or some other facility or service for the exclusive benefit of the residents of Fairfax County.

(3) Other special provisions:

(a) Notwithstanding the provisions of Section 4-7.2-22 of the Article, every person conducting or engaging in the occupation, business, trade or calling of leasing aircraft shall be taxed on the gross receipts of that activity at the annual license tax rate imposed on wholesale merchants by Section 4-7.2-30.

C. The calculation of gross purchases and gross receipts for annual license tax or fee purposes shall be on a cash, a modified accrual or an accrual basis used for the preceding calendar year, but the basis used for such calculation of gross receipts for each person shall be the



same system of accounts used by that person for federal income tax purposes.

D. Any person claiming the benefit of any exclusion, exemption, restriction or limitation to the taxes or fee imposed by this Article shall bear the burden of showing that the exclusion, exemption, restriction or limitation is applicable to their claim.

E. Where, before the expiration of the time prescribed for the assessment of any license tax imposed pursuant to state law, both the Director and the taxpayer have consented in writing to its assessment after such time, the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

F. Notwithstanding Va. Code § 58.1-3903, the Director shall assess the local license tax omitted because of fraud or failure to apply for a license for the current license year and the six preceding license years.

#### Section 4-7.2-2. Persons subject to business licensing.

A. Except as otherwise provided by this Article or by state law, the license taxes or fee imposed by this Article are imposed on every person engaged in any business, profession, trade, occupation or calling which has a taxable situs in the County.

B. Every person shall apply for a license for each business or profession when engaging in a business in the County if (i) the person has a definite place of business in the County; (ii) there is no definite place of business anywhere and the person resides in the County; or (iii) there is no definite place of business in the County but the person operates amusement machines or is classified as an itinerant merchant, peddler, carnival, circus, contractor subject to Va. Code § 58.1-3715, or public service corporation. Itinerant merchants and peddlers shall be subject to licensure pursuant to Chapter 31, Article 2 of the Fairfax County Code.

#### Section 4-7.2-3. Application for license; renewal of license; requirements.

A. Every person required to obtain a license by this Article shall make application for any license or licenses to the Director. All applications for new licenses or for the renewal of licenses shall be submitted by mail or in person to the Department of Tax Administration.

B. The Director shall furnish the necessary forms which shall be properly filled in with such information as the Director may require. Every applicant for a license to conduct any business, profession, trade or occupation under the provisions of this Article shall furnish the Director the information necessary to assess a license tax or fee on the basis provided by law. Such information shall be furnished in all instances regardless of the amount of gross receipts or type of business.

(1) Such information shall be filed as follows:

(a) For license tax year 1997 and preceding years, license applications shall be filed on or before January 31 of each year or within seventy-five calendar days of the commencement of the business operation.

(b) For the license year commencing January 1, 1998 and the years thereafter, license applications shall be filed on or before March 1 of each year or within seventy-five calendar days of the commencement of the business operation.

(2) All license information shall be submitted in writing on forms prescribed by the Director and shall include, but not be limited to, the applicant's signature, correct name and trade name, correct mailing address, the correct business address, the nature, type and location of the business, profession, trade or occupation to be pursued, market area to be served, number of persons employed, and a recording of gross receipts for the preceding calendar year. In addition to the above, all applicants whose business it is to rent houses, apartments, commercial property or industrial facilities in the County shall also be required to provide the names and locations of all structures or complexes which are rented and the number of units available to be rented or the area available to be leased.

C. In the event that the filing due date, as set forth in Subsection A of this Section, or seventy-five days after the commencement of a business falls on a Saturday, Sunday, legal holiday or Fairfax County government holiday, then the application required to be filed by subsection A of this Section shall be filed no later than the next succeeding day on which the County offices are open.

D. In the event of a failure or refusal to file the required necessary information with the Director, the Director shall assess such license tax upon the best information he can obtain (adding thereto the penalty prescribed by law).

E. The Director may grant an extension of time in which to file an application for a license, for reasonable cause. The extension may be conditioned upon the timely payment of a reasonable estimate of the appropriate tax; the tax is then subject to adjustment to the correct tax at the end of the extension, together with interest from the due date until the date paid and, if the estimate submitted with the extension is found to be unreasonable under the circumstances, with a penalty of ten percent of the portion paid after the due date.

F. Prior to January 1, 1998, upon receipt of the application from the taxpayer the Director shall compute the license tax due and bill the taxpayer for such tax. Effective January 1, 1998, the taxpayer shall compute the license tax due and remit payment of such tax and the license application and such information required under Subsection B(2) of this Section no later than March 1 of the tax year or, in the case of a beginning business, the tax shall be paid within 75 days of the date the business began in Fairfax County.

G. Notwithstanding the provisions of this Article, a person shall not be required to file a business license application for any license year when gross receipts attributed

to their definite place of business are \$10,000 or less.

Section 4-7.2-4. Separate license required for each place of business or office; exception.

A separate license shall be required for each definite place of business and for each business. A person engaged in two or more businesses or professions carried on at the same place of business may elect to obtain one license for all such businesses and professions if all of the following criteria are satisfied: (i) each business or profession is subject to licensure at the location and has satisfied any requirements imposed by state law or other provisions of the ordinances of the County; (ii) all of the businesses or professions are subject to the same tax rate, or, if subject to different tax rates, the licensee agrees to be taxed on all businesses and professions at the highest rate; and (iii) the taxpayer agrees to supply such information as the Director may require concerning the nature of the several businesses and their gross receipts.

Section 4-7.2-5. Computation of annual license taxes: beginning business; renewal of licenses.

A. Beginning business. Notwithstanding the provisions of Section 4-7.2-1(C) of this Article, every person beginning a business, profession, trade, occupation or calling which is subject to a license tax or fee under the provisions of this Article, shall estimate the amount of the gross receipts or gross purchases that the person applying for a license expects to receive between the date of beginning business and the end of the then current license year, and the license tax or fee for the current year also shall be computed on such estimate. Whenever a license tax or fee is computed upon estimated gross receipts or gross purchases, such estimate shall be subject to adjustment by the Director at the end of the tax year to reflect actual gross receipts or gross purchases and the Director shall give credit for any overpayment on the license tax or fee payable the following year. Similarly, underestimates will be adjusted to reflect actual gross receipts or actual gross purchases and the amount underestimated will be added to the license tax for the succeeding year. License tax shall be levied according to the license fee table set forth under Section 4-7.2-7 or the tax rates established within this Article.

B. Renewal of license. The license taxes and fees imposed by this Article shall be imposed annually on all phases of any business activity required to be licensed by this Article. Except as otherwise provided by this Article or by state law, the renewal of the annual license tax for each licensable business activity shall be computed in accord with (i) the license fee table set forth in Section 4-7.2-7 of this Article or (ii) by multiplying annual gross receipts or gross purchases from the preceding calendar year, as established in accordance with Section 4-7.2-1(C), by the tax rate set forth in this Article which is appropriate for the type of business, profession, trade, occupation or calling to be licensed.

Section 4-7.2-6. Situs of gross receipts; apportionment; agreements.

A. Situs. Whenever the tax imposed by this Article is measured by gross receipts, the gross receipts included in the taxable measure shall be only those gross receipts attributed to the exercise of a privilege subject to licensure at a definite place of business within

the County. In the case of activities conducted outside of a definite place of business, such as during a visit to a customer location, the gross receipts shall be attributed to the definite place of business from which such activities are initiated, directed, or controlled. The situs of gross receipts for different classifications of business shall be attributed to one or more definite places of business or offices as follows:

(1) The gross receipts of a contractor shall be attributed to the definite place of business at which his services are performed, or if his services are not performed at any definite place of business, then the definite place of business from which his services are directed or controlled, unless the contractor is subject to the provisions of Va. Code § 58.1-3715.

(2) The gross receipts of a retailer or wholesaler shall be attributed to the definite place of business at which sales solicitation activities occur, or if sales solicitation activities do not occur at any definite place of business, then the definite place of business from which sales solicitation activities are directed or controlled; however, a wholesaler or distribution house subject to a license tax measured by purchases shall determine the situs of its purchases by the definite place of business at which or from which deliveries of the purchased goods, wares and merchandise are made to customers. Any wholesaler who is subject to license tax in two or more localities and who is subject to multiple taxation because the localities use different measures, may apply to the Virginia Department of Taxation for a determination as to the proper measure of purchases and gross receipts subject to license tax in each locality.

(3) The gross receipts of a business renting tangible personal property shall be attributed to the definite place of business from which the tangible personal property is rented or, if the property is not rented from any definite place of business, then to the definite place of business at which the rental of such property is managed.

(4) The gross receipts from the performance of services shall be attributed to the definite place of business at which the services are performed or, if not performed at any definite place of business, then to the definite place of business from which the services are directed or controlled.

B. Apportionment. If the licensee has more than one definite place of business and it is impractical or impossible to determine to which definite place of business gross receipts should be attributed under the general rule, the gross receipts of the business shall be apportioned between the definite places of businesses on the basis of payroll. Gross receipts shall not be apportioned to a definite place of business unless some activities under the applicable general rule occurred at, or were controlled from, such definite place of business. Gross receipts attributable to a definite place of business in another jurisdiction shall not be attributed to the County solely because the other jurisdiction does not impose a tax on the gross receipts attributable to the definite place of business in such other jurisdiction.

C.      Agreements. The Director may enter into agreements with any other political subdivision of Virginia concerning the manner in which gross receipts shall be apportioned among definite places of business. However, the sum of the gross receipts apportioned by the agreement shall not exceed the total gross receipts attributable to all of the definite places of business affected by the agreement. Upon being notified by a taxpayer that its method of attributing gross receipts is fundamentally inconsistent with the method of one or more political subdivisions in which the taxpayer is licensed to engage in business and that the difference has, or is likely to, result in taxes on more than one hundred percent of its gross receipts from all locations in the affected jurisdictions, the Director shall make a good faith effort to reach an apportionment agreement with the other political subdivisions involved. If an agreement cannot be reached, either the Director or taxpayer may seek an advisory opinion from the Virginia Department of Taxation pursuant to Va. Code § 58.1-3701; notice of the request shall be given to the other party. Notwithstanding the provisions of Va. Code § 58.1-3993, when a taxpayer has demonstrated to a court that two or more political subdivisions of Virginia have assessed taxes on gross receipts that may create a double assessment within the meaning of Va. Code § 58.1-3986, the court shall enter such orders pending resolution of the litigation as may be necessary to ensure that the taxpayer is not required to pay multiple assessments even though it is not then known which assessment is correct and which is erroneous.

Section 4-7.2-7.      When license taxes and fees payable.

A.      All license taxes or fees imposed by this Article, except as provided under Subsections C or D of this Section, shall become due and payable as follows:

- (1)      Beginning businesses. If any person shall begin a business, profession, trade, occupation or calling upon which an annual license tax or fee is imposed under this Article after January 1 of each license tax year, then such license tax or fee shall become due immediately, and payment shall be made within seventy-five calendar days of the time such person commences business.
- (2)      Renewal of license. Notwithstanding Subsection A(1) of this Section,
  - (a) For license tax year 1997 and preceding years, license taxes on are due and payable on or before April 15;
  - (b) For the license year commencing January 1, 1998 and the years thereafter, payment of the license tax or fee shall be included as part of the annual license application as set forth in Section 4-7.2-3 of this Article. Payment shall be made at the time of submission of the annual license application to the Department of Tax Administration, but in no circumstance later than March 1 of each year.

B.      In the event that the payment due date, as set forth in Subsection A of this Section, or seventy-five calendar days after the commencement of a business falls on a Saturday, Sunday, legal holiday or Fairfax County government holiday, then the required tax or fee required shall be paid on the next succeeding day on which the County offices are open.

C. Payment of a license tax shall not be required when the computed annual license tax for each licensable activity is less than thirty dollars or when the gross receipts or gross purchases of such business are \$100,000 or less.

D. Payment of a license fee shall be required when the gross receipts or gross purchases of a business are not more than \$100,000. The amount of a license fee to be paid shall be based upon the gross receipts or gross purchases of each licensable activity as follows:

License Fees Payable According to Gross Receipts or Gross Purchases

Gross Receipts or Purchases At Least	Gross Receipts or Purchases Not More Than	License Fee Payable
\$0	\$10,000	\$0
\$10,001	\$50,000	\$30
\$50,001	\$100,000	\$50

Section 4-7.2-8. Payment by corporations and partnerships.

All licenses issued and license taxes or fee imposed under the provisions of this Article upon the gross receipts of a business, trade, occupation or calling conducted by a corporation or partnership shall be issued to and paid by the corporation or partnership, and when so paid, it shall be deemed to discharge (i) the license tax liability of the members of such partnerships insofar as it relates to partnership business or (ii) the license tax liability of the employees of such corporations as it relates to the corporation business.

Section 4-7.2-9. Levy of penalties and interest; waiver of penalties.

A. Levy of penalties. A penalty of ten percent of the tax may be imposed upon the failure to file an application or the failure to pay the tax by the due date established by Section 4-7.2-7. Only the late filing penalty shall be imposed by the Director if both the application and payment are late; however, both penalties may be assessed if the Director determines that the taxpayer has a history of noncompliance. In the case of an assessment of additional tax made by the Director, if the application and, if applicable, the return were made in good faith and the understatement of the tax was not due to any fraud, reckless or intentional disregard of the law by the taxpayer, there shall be no late payment penalty assessed with the additional tax. If any assessment of tax by the Director is not paid within thirty days, the

Director may impose a ten percent late payment penalty. If the failure to file or pay was not the fault of the taxpayer, the penalties shall not be imposed, or if imposed, shall be abated by the Director. In order to demonstrate lack of fault, the taxpayer must show that he acted responsibly and that the failure was due to events beyond his control.

(1) "Acted responsibly" means that: (i) the taxpayer exercised the level of reasonable care that a prudent person would exercise under the circumstances in determining the filing obligations for the business and (ii) the taxpayer undertook significant steps to avoid or mitigate the failure, such as requesting appropriate extensions (where applicable), attempting to prevent a foreseeable impediment, acting to remove an impediment once it occurred, and promptly rectifying a failure once the impediment was removed or the failure discovered.

(2) "Events beyond the taxpayer's control" include, but are not limited to, the unavailability of records due to fire or other casualty; the unavoidable absence (e.g., due to death or serious illness) of the person with the sole responsibility for tax compliance; or the taxpayer's reasonable reliance in good faith upon erroneous written information from the Director who was aware of the relevant facts relating to the taxpayer's business when he provided the erroneous information.

(3) In no case will the penalty for failure to file a license application by the date established in Section 4-7.2-3 of this Article, nor the penalty for failure to pay the tax by the date established in Section 4-7.2-7 of this Article exceed the amount of the tax due.

(4) A penalty of ten percent shall be imposed upon any underpayment of the taxes assessable by this Article.

B. Levy of interest. Interest shall be charged on the late payment of the tax, or any portion thereof, from the due date until the date paid without regard to fault or other reason for the late payment.

(1) Interest will accrue on the sum of the unpaid tax and penalty for the first year at the rate of ten percent and for all following years either at the rate of ten percent per year or at the rate established pursuant to § 6621 of the United States Internal Revenue Code, as amended, whichever is greater. Interest will be computed from the first day following the day on which the tax was payable.

(2) No interest shall accrue on an adjustment of estimated tax liability to actual liability at the conclusion of a base year. No interest shall be charged on a late payment, provided the late payment is made not more than thirty days from the due date of the tax.

C. Waiver of penalties. The Director may waive any penalty for the failure to file a license application in accordance with Section 4-7.2-3 if such failure was not the fault of the taxpayer. The Director may waive any penalty for failure to pay a license tax or fee in

accordance with Section 4-7.2-7 if such failure was not the fault of the taxpayer.

4-7.2-10. Collection of assessments; refunds.

A. Collection of assessments.

(1) Taxes, fees and penalties herein provided shall be assessed and collected in the manner provided by law for the enforcement of the collection of other taxes. In addition, upon nonpayment, reasonable attorney's or collection agency's fees may be recovered by the County, but such fees shall not exceed twenty percent of the delinquent tax bill. However, attorney's fees shall be added only if such delinquency is collected by action at law or suit in equity.

(2) No tax or fee assessment shall be delinquent and subject to collection during the pendency of any administrative appeal made to the Director in accordance with Va. Code § 58.1-3980, so long as the administrative appeal is filed within ninety days of the date of the assessment. Any such appeal shall be in writing. Any such administrative appeal shall state the factual or legal basis for the appeal, and it shall provide copies of any documents which support the claim. If an administrative appeal has been filed in accordance with this Subsection, no tax assessment shall be deemed delinquent and subject to collection for a period of thirty days after the date of the final determination of the appeal by the Director. Nothing in this paragraph shall be construed to preclude the assessment or refund, following the final determination of such appeal, of such interest as otherwise may be provided by general law as to that portion of a tax bill which has remained unpaid or was overpaid during the pendency of such appeal and is determined in such appeal to be properly due and owing.

(3) The period for collecting any license tax or fee shall not expire prior to the period specified in Va. Code § 58.1-3940, two years after the date of assessment if the period for assessment has been extended pursuant to Section 4-7.2-1(E) of this Article, two years after the final determination of an appeal for which collection has been stayed pursuant to Section 4-7.2-11 of this Article, or two years after the final decision in a court application pursuant to Va. Code § 58.1-3984 or similar law for which collection has been stayed, whichever is later.

B. Refunds. Except as otherwise provided by this Article or by state law, there shall be no refunds of any license tax paid under the provisions of this Article.

(1) In the event a person permanently ceases to engage in a business, profession, trade, occupation or calling within the County during a year for which a license tax has already been paid, that person shall be entitled, upon application, to a refund for that portion of the license tax already paid, prorated on a monthly basis so as to ensure that the licensed privilege is taxed only for that fraction of the year during which it is exercised within the County. For the purposes of proration, a period of more than one-half of a month (at least sixteen days) shall be considered a



full month and a period of less than one-half of a month shall not be counted. However, if a person has obtained a license by payment of a license fee pursuant to Section 4-7.2-7(D) of this Article, then no refund shall be allowed.

(2) No interest shall be paid on a refund, provided the refund is made not more than thirty days from the date of the payment that created the refund or the due date of the tax, whichever is later.

(3) Whenever an assessment of additional or omitted tax by the Director is found to be erroneous, all interest and penalty charged and collected on the amount of the assessment found to be erroneous shall be refunded together with interest on the refund from the date of payment or the due date, whichever is later. Interest shall be paid on the refund of any license tax from the date of payment or due date, whichever is later, whether attributable to an amended return or other reason. Interest on any refund shall be paid at the same rate charged under Va Code § 58.1-3916.

#### Section 4-7.2-11. Appeals on assessments; rulings.

A. Any person assessed with a license tax or fee as a result of an audit may apply within ninety days from the date of such assessment to the Director for a correction of the assessment. The application must be filed in good faith and sufficiently identify the taxpayer, audit period, remedy sought, each alleged error in the assessment, the grounds upon which the taxpayer relies, and any other facts relevant to the taxpayer's contention. The Director may hold a conference with the taxpayer if requested by the taxpayer, or require submission of additional information and documents, a further audit, or other evidence deemed necessary for a proper and equitable determination of the application. The assessment shall be deemed prima facie correct. The Director shall undertake a full review of the taxpayer's claims and issue a determination to the taxpayer setting forth its position. Every assessment pursuant to an audit shall be accompanied by a written explanation of the taxpayer's right to seek correction and the specific procedure to be followed in the County (e.g., the name and address to which an application should be directed).

B. Provided a timely and complete application is made, collection activity shall be suspended until a final determination is issued by the Director, unless the Director determines that collection would be jeopardized by delay or that the taxpayer has not responded to a request for relevant information after a reasonable time. Interest shall accrue in accordance with the provisions of Section 4-7.2-9, but no further penalty shall be imposed while collection action is suspended. The term "jeopardized by delay" includes a finding that the application is frivolous, or that a taxpayer desires to (i) depart quickly from the locality, (ii) remove his property therefrom, (iii) conceal himself or his property therein, or (iv) do any other act tending to prejudice, or to render wholly or partially ineffectual, proceedings to collect the tax for the period in question.

C. Any person assessed with a local license tax as a result of an audit may apply within ninety days of the determination by the Director on an application pursuant to

Subsection A of this Section to the Virginia Tax Commissioner for a correction of such assessment. The Tax Commissioner shall issue a determination to the taxpayer within ninety days of receipt of the taxpayer's application, unless the taxpayer and the Director are notified that a longer period will be required. The application shall be treated as an application pursuant to Va. Code § 58.1-1821, and the Tax Commissioner may issue an order correcting such assessment pursuant to Va. Code § 58.1-1822. Following such an order, either the taxpayer or the Director may apply to the appropriate circuit court pursuant to Va. Code § 58.1-3984. However, the burden shall be on the party making the application to show that the ruling of the Tax Commissioner is erroneous. Neither the Tax Commissioner nor the Virginia Department of Taxation shall be made a party to an application to correct an assessment merely because the Tax Commissioner has ruled on it.

D. On receipt of a notice of intent to file an appeal to the Tax Commissioner under Subsection C of this Section, the Director shall further suspend collection activity until a final determination is issued by the Tax Commissioner, unless the Director determines that collection would be jeopardized by delay or that the taxpayer has not responded to a request for relevant information after a reasonable time. Interest shall accrue in accordance with the provisions of Section 4-7.2-9, but no further penalty shall be imposed while collection action is suspended. The term "jeopardized by delay" shall have the same meaning as set forth in Subsection B of this Section.

E. Any taxpayer may request a written ruling regarding the application of a license tax to a specific situation from the Director. Any person requesting such a ruling must provide all the relevant facts for the situation and may present a rationale for the basis of an interpretation of the law most favorable to the taxpayer. Any misrepresentation or change in the applicable law or the factual situation as presented in the ruling request shall invalidate any such ruling issued. A written ruling may be revoked or amended prospectively if (i) there is a change in the law, a court decision, or the guidelines issued by the Virginia Department of Taxation upon which the ruling was based or (ii) the Director notifies the taxpayer of a change in the policy or interpretation upon which the ruling was based. However, any person who acts on a written ruling which later becomes invalid shall be deemed to have acted in good faith during the period in which such ruling was in effect.

#### Section 4-7.2-12. Records and reports required.

Every person who is assessable with a local license tax shall keep sufficient records to enable the Director to verify the correctness of the tax paid for the license years assessable and to enable the Director to ascertain what is the correct amount of tax that was assessable for each of those years. All such records, books of accounts and other information shall be open to inspection and examination by the Director in order to allow the Director to establish whether a particular receipt is directly attributable to the taxable privilege exercised within the County. The Director shall provide the taxpayer with the option to conduct the audit in the taxpayer's local business office, if the records are maintained there. In the event the records are maintained outside the County, copies of the appropriate books and records shall be sent to the Director's office upon demand.

Section 4-7.2-13. Transfer of license.

Licenses may be transferred from one person to another; provided, that no such transfer shall be valid unless and until notice in writing be given to the Director. Failure to notify the Director of the transfer of the license within seventy-five days of such transfer shall invalidate such license.

Section 4-7.2-14. License required; penalty for failure to comply with Article.

Any person who willfully fails or refuses to apply for any license at the time or times required by this Article shall be subject to criminal penalties to the maximum extent permitted by Va. Code § 58.1-3916.1. Any person who makes any false statement with the intent to defraud in connection with any license required by this Article shall be subject to criminal penalties to the maximum extent permitted by Va. Code § 58.1-3916.1.

Section 4-7.2-15. Effect on other licenses.

The annual licenses required by this Article are revenue licenses. The requirement to obtain any license required by this Article and the issuance of any such license shall be in addition to any regulatory license requirements that may be imposed by law.

Section 4-7.2-16 through 4-7.2-19. [Reserved].

Section 4-7.2-20. Amusements; license tax rate.

Every person conducting or engaging in any amusement occupations, businesses, trades or callings shall pay an annual license tax of Twenty-six Cents for each One Hundred Dollars of gross receipts. Amusement occupations, businesses, trades or callings include, by way of illustration, but are not limited to, persons who provide or operate:

- Amusement parks
- Amusement rides
- Arcades
- Auditoriums
- Billiard or pool halls
- Bowling alleys
- Coliseums
- Golf courses
- Golf driving ranges
- Marinas
- Miniature golf courses
- Parks, athletic fields
- Petting farms
- Rifle ranges, shooting galleries
- Skating rinks
- Tennis courts
- Theaters

Zoos, zoological parks

Section 4-7.2-21. Builders, developers; license tax rate.

Every person conducting or engaging in the business, trade, occupation or calling of improving or developing for sale or rent of any property or structure owned or leased by or otherwise in the control of such builder and developer shall pay an annual license tax of Five Cents for each One Hundred Dollars of gross receipts on the business done within the County.

Section 4-7.2-22. Business service occupations; license tax rate.

Every person conducting or engaging in business service occupations, businesses, trades or callings shall pay an annual license tax of Nineteen Cents for each One Hundred Dollars of gross receipts. Business service occupations, businesses, trades or callings include, by way of illustration, but are not limited to, persons who provide or operate:

- Addressing letters or envelopes
- Advertising agent, agency or firm
- Agents/Agencies: collection, credit bureau, employment, tour operator or travel
- Airports
- Audio-visual studios
- Auto damage estimator service
- Boarding Horses
- Bookbinder
- Correspondent (news) establishment or bureau
- Data processing, computer service, systems development
- Drafting services
- Erecting, installing, removing, storing awnings
- Impounding lots
- Landfill
- Lawn development and maintenance
- Leasing any kind of tangible personal property
- Livery stables
- Messenger services
- On line computer services, computer time share services
- Operating analytical or engineering laboratories
- Packing, crating, shipping, hauling or moving goods or materials.
- Paging or beeper communication services
- Parking lots, garages
- Photo copying, photostating, facsimile copying
- Plating or chromiumizing metals or other materials
- Polling, tabulating services
- Private detectives
- Promotional agents or agency
- Promoters of arts and craft shows

Protective agency or body guard  
Public relations counselors  
Publicity services, booking agents, concert managers  
Realty multiple listing service  
Royalty and/or franchise firms  
Septic tank cleaning  
Sign painting, window lettering, vehicle lettering  
Storage of any kind of tangible personal  
property  
Swimming pool maintenance and management  
Telephone answering services  
Temporary help services, firms  
Title insurance company  
Towing services  
Tree surgery, trimming, removal  
Uniform or linen services  
Vehicular, electric, business or commercial advertising

Section 4-7.2-23. Personal service occupations; license tax rate.

Every person conducting or engaging in any personal service occupations, businesses, trades or callings shall pay an annual license tax of Nineteen Cents for each One Hundred Dollars of gross receipts. Personal service occupations, businesses, trades or callings include, by way of illustration, but are not limited to, persons who provide or operate:

Ambulance services  
Animal grooming  
Animal hospital  
Auctioneering  
Adult and child care services  
Cemeteries (except non-profit)  
Chartered clubs  
Civil marriage celebrant  
Cleaning of any kind of tangible or real property  
Day nursery, preschool  
Dental laboratory  
Diaper services  
Extermination services  
Fumigating or disinfecting services  
Funeral directors, services  
Furnishing labor services  
Hair care services: barber shops, beauty salons  
Hauling, transfer, transport  
Health and fitness clubs  
House, animal, plant sitting  
House cleaning services  
Instruction, tutoring, training services or courses

Interior decorating  
Janitorial services  
Kennels  
Laundering, dry cleaning, pressing, dyeing services  
Massage practitioners  
Notary publics  
Nurses registries  
Personal care services: manicure, pedicure, tanning,  
facials  
Photographers  
Physician registries  
Piano tuning  
Picture framing, gilding  
Press clipping services  
Private hospitals (except non-profit corporations)  
Private schools (other than religious, non-profit)  
Retirement, convalescent, life care resident services  
(except non-profit corporations)  
Sales of money orders, travelers' checks  
Scalp treatment establishments  
Seamstress services  
Tailoring services  
Taxi, limousine or bus services  
Taxidermists  
Turkish, Roman or other like bath or bath parlor  
Upholstery and drapery services  
U-drive-it companies  
Vehicle title services  
Wake-up services  
Weight management programs  
X-ray laboratories

Section 4-7.2-24. Contractors and contracting; license tax rate.

Every person conducting or engaging in contracting occupations, businesses, trades or callings shall be considered a contractor and shall pay an annual license tax of Eleven Cents for each One Hundred Dollars of gross receipts. For the purposes of this Article, the meaning of the term "contractor" provided by Va. Code § 58.1-3714(B) is incorporated by reference. The provisions of Va. Code § 58.1-3715 relating (i) to licensing exemptions, (ii) to licensing requirements for businesses located outside of the County which do more than \$25,000 per year in the County and (iii) to credits for business done in other counties, cities and towns in which a similar tax is paid are incorporated by reference.

Section 4-7.2-25. Hotels and motels; license tax rate.

Every person operating a hotel or motel as defined in Section 4-17-1 of the Fairfax

County Code or similar business which rents rooms to transients shall pay an annual business license tax of Twenty-six Cents for each One Hundred Dollars of gross receipts.

Section 4-7.2-26. Professions and professional services; license tax rate.

Every person conducting or engaging in any profession, or professional occupations or businesses shall pay an annual license tax of Thirty-one Cents for each One Hundred Dollars of gross receipts. Professions and professional services means services performed by the following persons and such occupations, and no others as the Department of Taxation may list in the BPOL guidelines promulgated pursuant to Va. Code § 58.1-3701.

- Architect
- Attorney-at-law
- Certified public accountant
- Dentist
- Engineers
- Land surveyor
- Surgeons, practitioners of the healing arts (the art or science or group of arts or sciences dealing with the prevention, diagnosis, treatment and cure or alleviation of human physical or mental ailments, conditions, diseases, pain or infirmities.)
- Veterinarian

Section 4-7.2-27. Renting by owner of houses, apartments, commercial property or industrial facilities; dwelling unit defined; license tax rate; exception.

Every person who engages in the business of renting houses, apartments, dwelling units, commercial property or industrial facilities in the County shall pay an annual business license tax of Twenty-six Cents for each One Hundred Dollars of gross receipts. However, the rental receipts of any person who rents no more than four dwelling units in any calendar year are not subject to taxation pursuant to this Article. For the purpose of this Section, dwelling unit means one or more rooms in a house or apartment designed for occupancy by one family for living purposes and which have cooking facilities. In the case of any person who as a lessee subleases any commercial property or industrial facilities, the receipts from that sublease will be exempt from taxation by this Article so long as that sublease is incidental to the primary business activity. Any rental income from a sublease described in the preceding sentence which constitutes more than ten percent of the gross receipts of the primary business activity shall be presumed to be a part of a person's primary business activity.

Section 4-7.2-28. Repair service occupations; license tax rate.

Every person conducting or engaging in any repair service occupations, businesses, trades or callings shall pay an annual license tax of Nineteen Cents for each One Hundred Dollars of gross receipts. Repair service occupations, businesses, trades or callings include, by way of illustration, but are not limited to, persons who repair:

- Automobiles, trucks, boats, cycles, recreational vehicles

Aircraft  
Apparel  
Furniture, upholstery, carpeting, rugs  
Guns  
Jewelry  
Lawnmowers  
Leather goods  
Locks  
Boilers  
Machinery or tools: home, business, office, farm,  
industrial, commercial or road  
Major or minor appliances or electronics  
Motor vehicle body and paint shops  
Reweaving, chair caning  
Scales  
Shades or blinds  
Shoes  
Toys  
Watches or clocks  
Welding or fabricating

Section 4-7.2-29. Retail merchants; license tax rate.

A. Every person who sells goods, wares or merchandise at retail only and not for resale in any retail merchants' occupations, businesses, trades or callings shall pay an annual license tax of Seventeen Cents for each One Hundred Dollars of gross receipts. Retail merchants' occupations, businesses, trades or callings include, by way of illustration, but are not limited to, persons who sell:

Aircraft or aircraft parts  
Animal supplies or feed  
Antiques  
Apparel  
Appliances or electronics  
Automobile, trucks, boats, cycles, recreational  
vehicles or parts  
Baked goods  
Books, stationery, periodicals  
Building materials  
Candy or nuts  
Catered foods  
Cigar, tobacco products  
Dairy products  
Drugs or convalescent aids  
Dry goods  
Fabrics  
Flowers or plants



Foods or beverages  
Fuel or fuel products  
Furniture or home furnishings  
Furs  
Garden or agricultural supplies  
General merchandise  
Gifts, novelties or souvenirs  
Groceries  
Hardware  
Ice  
Jewelry  
Livestock  
Luggage  
Lumber goods  
Machinery and equipment  
Millinery  
Musical instruments  
Office, store, appliance or photographic supplies  
Optical goods  
Paint, glass, wallpaper  
Premium stamp suppliers  
Prepared foods  
Produce  
Second hand goods  
Sporting goods  
Vending machine goods

B. A retail merchant's license, the tax on which would be One Hundred Dollars or more were it issued for the period of one year, may be issued on an installment basis by the Director at the request of the licensee.

C. Except as otherwise provided by this Subsection, any person who is engaged in business as a retail merchant and as a wholesale merchant shall obtain a license for both business activities. However, any retail merchant who conducts business as a wholesale merchant may elect to do such wholesale business under a retail merchants license by paying license taxes as a retailer on both this retail and wholesale businesses.

Section 4-7.2-30. Wholesale merchants; license tax rate.

Wholesale merchant means any person (i) who sells to retailers, as set forth in Section 4-7.2-29, for resale; (ii) who sells at wholesale to other wholesale merchants; or (iii) who sells at wholesale to institutional, commercial or industrial users. Every person conducting or engaging in any wholesale merchants' occupations, businesses, trades or callings shall pay an annual license tax of Four Cents for each One Hundred Dollars of gross purchases. Wholesale merchants' occupations, businesses, trades or callings include, by way of illustration, but are not limited to, persons who sell:

- Apparel
- Automotive products
- Chemicals
- Coal, coke
- Drugs
- Dry goods
- Electrical, plumbing goods
- Farm products or supplies
- Furniture and house furnishings
- Groceries, foods or beverages
- Hardware
- Jewelry
- Lumber, paint and construction materials
- Machinery, equipment or supplies
- Metals and metal work
- Paper and paper products
- Petroleum and petroleum products
- Sporting goods
- Tobacco and tobacco products, except leaf tobacco
- Waste materials

Section 4-7.2-31. Money lenders; license tax rate.

Every person conducting or engaging in any of the following money lending occupations, businesses, trades or callings shall pay an annual license tax of Nineteen Cents for each One Hundred Dollars of gross receipts. Money lending occupations, businesses, trades or callings include, by way of illustration, but are not limited to, persons who provide or operate:

- Buying installment receivable
- Chattel mortgage financing
- Consumer financing
- Factor
- Financing accounts receivable
- Industrial loan company
- Installment financing
- Inventory financing
- Loan or mortgage broker
- Loan or mortgage company
- Money lender

Section 4-7.2-32. Telephone companies; license tax rate.

Every person engaged in business in the County as a telephone company which is subject to assessment under Chapter 26 of Title 58.1 of the Code of Virginia shall pay an annual license tax of Twenty-four Cents for each One Hundred Dollars of gross receipts from all sales of goods or services to the ultimate consumer with an exclusion of all receipts from long distance telephone calls.

Section 4-7.2-33. Heat, light, power and gas companies; license tax rate.

Every person furnishing heat, light, power and gas for domestic, commercial or industrial consumption in the County shall pay an annual license tax of Twenty-four Cents for each One Hundred Dollars of gross receipts.

Section 4-7.2-34. Real estate brokers; license tax rate.

Every person licensed and doing business exclusively as a real estate broker with respect to the purchase and/or sale of any real estate shall be subject in calendar years 1993 and 1994 to an annual license tax of One Cent for each One Hundred Dollars of gross receipts in each of those years. In calendar year 1995, every such real estate broker shall pay an annual license tax of Ten Cents for each One Hundred Dollars of gross receipts. In calendar year 1996 and thereafter, every such real estate broker shall pay an annual license tax of Thirty-one Cents for each One Hundred Dollars of gross receipts.

Section 4-7.2-35. Research and development business; license tax rate.

A. Every person engaged in the business of research and development, designated as principal or prime contractor receiving identifiable federal appropriations as defined in Subsection C of this Section shall pay an annual license tax of Three Cents for each One Hundred Dollars of such research and development gross receipts.

B. Every person engaged in the business of research and development other than those described in Subsection C of this Section shall pay an annual license tax of Thirty-one Cents for each One Hundred Dollars of such research and development gross receipts.

C. For the purpose of this article, identifiable federal appropriations shall mean federal funds received for research and development services as defined in the Federal Acquisition Regulations ("FAR") by 48 C.F.R. § 31.205-18(a) for research and development in the areas of (i) computer and electronic systems, (ii) computer software, (iii) applied sciences, (iv) economic and social sciences and (v) electronic and physical sciences.

D. Every person receiving identifiable federal appropriations for research and development who qualify for license taxation under Subsection C of this Section shall provide the required documentation to the Director of the Department of Tax Administration no later than January 31 each year confirming the applicability of Subsection C. Such documentation will be prescribed by the Director and shall show that (i) the person is the principal or prime contractor, and (ii) that all gross receipts subject to taxation under Subsection C are federal funds received in accordance with all terms and conditions prescribed by the provisions of this Section.

E. The provisions of Subsection C of this Section shall not apply in cases where documentation required by this Section is not submitted in the time and manner prescribed by the provisions of this Section.

Section 4-7.2-36 Consultants and specialized occupations; license tax rate.

Other than Professionals and Professional Services as set forth and taxed under Section 4-7.2-26 of this ordinance, every person conducting or engaging in any consulting or specialized occupation or business shall pay an annual license tax of Thirty-one Cents for each One Hundred Dollars of gross receipts. Consulting, specialized occupations or businesses include, by way of illustration, but are not limited to, persons who provide or operate:

Accounting services: bookkeeping or tax preparation

Actuary

Analysts: business financial, marketing research or operations

Appraisers

Arborist

Artist

Blue printer

Brokers: stock or investment

Business operations management

Chemists

Commercial inventory, valuation service

Commission merchant

Consultant: business, engineering, financial, labor, tax or transportation

Counselors: family or financial

Designers: landscape, fashion or graphic

Entertainers, performers, musicians, storytellers or clowns

Estimators, measurers or assayers

Insurance claims adjustors

Investment advisory services

Labor arbitrators

Language translators or interpreters

Lecturers

Producers: motion picture, television or radio

Property management services

Public stenographers and recorders

Real estate settlement services

Sculptors

Title abstract companies

Writers or editors

2. That the provisions of Chapter 4, Article 7.2 shall become effective January 1, 1997.

3. That the provisions of Chapter 4, Article 7.1 shall remain in force for all assessments made prior to January 1, 1997 and any omitted BPOL tax levies as may be made under such provisions.

4. That the provisions of Chapter 4, Article 7.1 shall expire on January 1, 2000 and be repealed at that time.